

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday July 25, 2006, the following members were present:

Greg Jergeson, Chairman
Brad Molnar, Vice Chairman
Doug Mood, Commissioner
Robert H. Raney, Commissioner
Thomas J. Schneider, Commissioner

APPEARANCE

Gary Duncan
Utility Division

(174) In the matter of two Qwest Corporation/AT&T Communications of the Mountain States, Inc. - Docket No. D2004.4.66 and Qwest Corporation/ Blackfoot Communications, Inc. – Docket No. D2002.12.156 (2) TRO/TRRO Interconnection Agreement Amendments. Qwest has filed for approval with this Commission two TRO/TRRO amendments in the dockets listed above. The FCC, with the guidance of the United States D.C. Court of Appeals, has redefined what constitutes an unbundled network element (UNE) under Section 251 of the 1996 Telecommunications Act. Specifically, the FCC issued its Triennial Review Order (TRO) effective October 3, 2003. This was followed by the United States D.C. Court of Appeals USTA II decision on March 2, 2004. Finally, the Commission issued its Triennial Review Remand Order (TRRO) on March 11, 2005. The effect of these orders and decision was to remove a number of UNEs from the list of UNEs required to be offered to competitive local exchange carriers (CLECs). These amendments list approximately 30 UNEs which Qwest and the parties to these amendments have agreed are no longer required to be offered under Section 251. These two TRO/TRRO amendments are virtually identical and were voluntarily negotiated by the parties involved:

Commissioner Schneider moved to approve the following two interconnection agreement amendments: D2004.4.66- Qwest Corporation/ AT&T Communications of the Mountain States, Inc., and D2002.12.156- Qwest Corporation/ Blackfoot Communications, Inc. fka Montana Wireless, Inc., dba Blackfoot Communications. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE

Scott Fabel
Utility Division

(175) In the matter of Qwest July 7, 2006 filed Tariff Transmittal 06-11, Primary Rate ISDN ICB Language Update. Qwest is proposing to update current language concerning Individual

Case Basis arrangement for customers purchasing Primary Rate ISDN (PRS) - Docket No. N2006.7.100:

Commissioner Mood moved to accept Qwest's Tariff Transmittal 06-11 in Docket No. N2006.7.100. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE

Eric Eck
Utility Division

(176) In the matter of Black Hills Power June 21, 2006 filed Quarterly Fuel Rate Rider Application. A Notice of Opportunity for Public Hearing was issued in June 28, 2006. Requests for hearing were due by July 25, 2006. No requests have been received. This application will increase revenues by \$5,507 over the base cost of fuel approved in Docket No. 83.4.25. A default order has been drafted- Docket No. D2006.6.96:

Commissioner Molnar moved to grant Black Hills Power's Quarterly Fuel Rate Rider application. Commissioner Raney seconded the motion, which passed unanimously.

(177) In the matter of NorthWestern Corporation July 12, 2006 filed application seeking authority to refinance \$150,000,000 of Montana First Mortgage Bonds which will mature on December 1, 2006. These bonds have a current effective annual coupon rate of 7.3 percent. The proceeds from this transaction will be used solely to refinance this maturing debt. A default order has been drafted- Docket No. D2006.7.101:

Commissioner Schneider moved to approve NorthWestern Corporation's application to refinance \$150,000,000 of Montana First Mortgage Bonds. Commissioner Raney seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division

(178) In the matter of the approval of Commission Minutes:

Commissioner Mood moved to approve the Commission Minutes for the week of July 17, 2006. Commissioner Molnar seconded the motion, which passed unanimously.

APPEARANCE

Tim Sweeney, Legal Division
Gary Duncan, Utility Division

(179) In the matter of the Commission's discussion of Qwest Corporation, Pager People, Inc., Liberty Paging, Dunne Communications, Inc., Pacific Centrex Services, Inc. four (4) Interconnection Agreements- Dockets No. D2006.5.67; D2006.5.68; D2006.6.85; D2006.5.70:

Commissioner Raney moved to approve the Qwest Corporation/Pager People, Inc. Interconnection Agreement in D2006.5.67, the Qwest Corporation/ Liberty Paging Interconnection Agreement in D2006.5.68, the Qwest/ Dunne Communications, Inc. Interconnection Agreement in D2006.6.85, and the Qwest Corporation/ Pacific Centrex Services, Inc. Interconnection Agreement in D2006.5.70. Commissioner Mood seconded the motion, which passed unanimously.

APPEARANCE

Al Brogan, Legal Division
Will Rosquist, Utility Division
Eric Eck, Utility Division

(180) In the matter of the Commission's discussion of NorthWestern Energy Electric Tracker-Docket No. D2006.5.66:

Commissioner Mood moved to approve the interim request of NorthWestern Energy in Docket No. D2006.5.66. Commissioner Raney seconded the motion, which passed 3-2. Commissioners Schneider and Molnar voted no.

APPEARANCE

Al Brogan, Legal Division
Will Rosquist, Utility Division

(181) In the matter of the Commission's discussion of NorthWestern Energy 2005 Electric Default Supply Plan-Docket No. N2005.12.172:

Commissioner Schneider moved to approve the comments as drafted with the provisions discussed this morning. Commissioner Raney seconded the motion, which passed 4-1. Commissioner Molnar voted no.

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division
Staci Litschauer, Centralized Services

(182) In the matter of the Commission's discussion of Fiscal Year 2007 agency budget:

Commissioner Raney moved to approve the travel allocation for Fiscal Year 2007 (Travel

allocation hardcopy attached to minutes). Commissioner Mood seconded the motion, which passed 3-0. The vote was left open for Commissioners Schneider and Molnar.

APPEARANCE

Wayne Budt, Administrator
Transportation & Centralized Services Division
David De Gil, Centralized Services

(183) In the matter of the Commission's discussion of Update on the new Docket Filing System:

Commissioner Raney moved to approve up to \$15,000 in outside consultant fees to complete the docket filing system. Commissioner Mood seconded the motion, which passed 4-0. The vote was left open for Commissioner Schneider.

There being no further business to come before the Commission the meeting was adjourned.

GREG JERGESON, Chairman

BRAD MOLNAR, Vice Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Thursday July 27, 2006, the following members were present:

Greg Jergeson, Chairman
Doug Mood, Commissioner
Robert H. Raney, Commissioner
Thomas J. Schneider, Commissioner

Vice Chairman Brad Molnar left his proxies with Commissioner Mood.

(184) In the matter of the Commission's discussion of Western Commissioners' resolution on National Energy Efficiency Action Plan:

Commissioner Schneider moved that Montana approve the circulated resolution on the Energy Efficiency for the Western Conference Public Service Commission. Commissioner Raney seconded the motion, which passed 4-0. Commissioner Molnar did not vote on this issue.

APPEARANCE

Tim Sweeney, Legal Division
Wayne Budt, Administrator
Transportation & Centralized Services Division
Nickie Eck, Transportation Division

(185) In the matter of the Commission's discussion of Mountain Express Taxi/ Valley Taxi Pre-Hearing Motions- Dockets No. T-06.14.PCN and T-06.15.ST:

Commissioner Mood moved to deny the Motion for Summary Judgment. Commissioner Raney seconded the motion, which passed unanimously.

Commissioner Mood moved to deny the Motion to Sequester witnesses. Commissioner Raney seconded the motion, which passed unanimously.

Commissioner Mood moved to deny the Motions for Stipulations #1, #2, #3, and #4. Commissioner Raney seconded the motion, which passed unanimously. (Stipulations on file with the hardcopy of minutes.)

Motions in Limine:

1. Protestant Valley Taxi should be precluded from presenting evidence of previous cases. Commissioner Mood moved to grant the motion in Limine #1. Commissioner Schneider

seconded the motion, which passed unanimously.

2. Protestant Valley Taxi should be excluded from attempting to provide evidence of harm to existing motor carriers other than Valley Taxi.

Commissioner Moved to grant the Motion in Limine #2. Commissioner Schneider seconded the motion, which passed unanimously.

3. Protestant Elaine Olsen should be excluded as a party to this matter.

Commissioner Mood moved to deny the Motion in Limine #3. Commissioner Schneider seconded the motion, which passed unanimously.

4. Protestant Elaine Olsen should be excluded from asserting Protestant Victor Pizzola's interests.

Commissioner Mood moved to grant the Motion in Limine #4. Commissioner Raney seconded the motion, which passed unanimously.

(186) In the matter of the Commission's discussion of Valley Taxi Transfer of Intrastate Certificate of Public Convenience and Necessity, PSC 9207- Docket No. T-06.15.ST:

Commissioner Mood moved to grant the Motion to Compel in part, and that Ms. Perkins and other representatives be barred from testifying in an official capacity, but may testify as members of the public. Commissioner Raney seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

GREG JERGSON, Chairman

BRAD MOLNAR, Vice Chairman

DOUG MOOD, Commissioner

ROBERT H. RANEY, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)